

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In Re:

Chapter 11

W.R. Grace & CO., et al.

Case No. 01-01139

Jointly Administered

Objections due by: July 11, 2003

Hearing Date: July 28, 2003

**NOTICE OF MOTION OF
ROBERT COSTA AND RONALD THORNBURG
FOR RELIEF FROM STAY UNDER 11 U.S.C. § 362 OF THE BANKRUPTCY CODE**

TO: The Debtor, the U.S. Trustee and Parties in interest:

Robert Costa and Ronald Thornburg have filed a Motion for Relief from Stay which seeks the following relief:

That the automatic stay entered pursuant to 11 U.S.C. § 362 be lifted with respect to United States of America ex rel. Robert Costa and Ronald Thornburg and State of California ex rel. Robert Costa and Ronald Thornburg v. Baker & Taylor, Inc., d/b/a Baker & Taylor Books ("Baker & Taylor") and W.R. Grace & Co. -- Connecticut ("W.R. Grace"), CIVIL NO. 95-1825(vrw), a federal False Claims Act action currently pending in the United States District Court, Northern District of California. Costa and Thornburg initiated the federal False Claims Act action against W.R. Grace & Co., Connecticut ("W.R. Grace") (a bankruptcy petitioner in this proceeding) and Baker & Taylor, Inc. (a separate and now unrelated corporate entity that spun off from the W.R. Grace & Co., Connecticut in 1992 and that is not seeking bankruptcy protection in this proceeding). Defendants settled their financial liabilities to the United States and California before the current bankruptcy proceeding was filed, but a notice of dismissal of all government claims has never been filed. A lifting of the stay is necessary so that Costa and Thornburg can petition the trial court in that action to enter final judgment on their claims in that matter so that they can pursue on appeal their claim as whistleblowers to entitlement under the False Claims Act to an award of their attorneys' fees and expenses from the non-bankrupt co-defendant, Baker & Taylor, Inc. and/or W.R. Grace and to fix the amount of any liability of W.R. Grace to them.

HEARING ON THE MOTION WILL BE HELD ON JULY 28, 2003 at 12:00 p.m.

You are required to file a response (and the supporting documentation required by Local Rule 4001-1(d)) to the attached motion by July 11, 2003.

At the same time, you must also serve a copy of the response upon movant's attorneys:

Martin J. Weis
Derrick A. Dyer
Dilworth Paxson, LLP
First Federal Plaza
Suite 500
Wilmington, DE 19801

and

Peter W. Chatfield
Phillips & Cohen LLP
2000 Massachusetts Ave., NW
Washington, DC 20036

The hearing date specified above may be a preliminary hearing or may be consolidated with the final hearing, as determined by the Court.

Dilworth Paxson LLP

By: /s/ Martin J. Weis
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and

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Date: June 20, 2003